

REQUIRES MONITORING OR
STAFF ACTION NO

COMMISSION DIRECTIVE

ADMINISTRATIVE MATTERS	<input type="checkbox"/>	DATE	<u>March 22, 2005</u>
MOTOR CARRIER MATTERS	<input type="checkbox"/>	DOCKET NO.	<u>2005-37-C- -</u>
UTILITIES MATTERS	<input checked="" type="checkbox"/>		<u></u>

SUBJECT:

Docket No. 2005-37-C – Hargray Telephone Inc. and Bluffton Telephone Inc. –Application for approval for Alternative Regulation Plan Pursuant to S.C. Code §58-9-576. Discuss with the Commission receipt of an application for Alternative Regulation Plan Pursuant to S.C. Code §58-9-576 filed by M. John Bowen, Esquire on behalf of the Applicant.

COMMISSION ACTION:

Under S.C. Code Annotated Section 58-9-576(A), any local exchange carrier may elect to have the rates, terms, and conditions of its services determined pursuant to the alternative regulation plan described in Part B of the Section, provided that the Commission determines that another provider's service competes with the local exchange carrier's basic local exchange telephone service, and/or provided that the Commission determines that at least two wireless providers have coverage generally available in the local exchange carrier's service area and that the providers are not affiliates of the local exchange carrier. In this case, Hargray Telephone and Bluffton Telephone state, as to the first point, that the Commission, in Order No. 2000-021, terminated Hargray's and Bluffton's automatic rural exemptions under Section 251(f)(1) of the Federal Telecommunications Act of 1996. Thus, in their view, competitive carriers holding statewide certificates are authorized to provide local exchange service in Hargray's and Bluffton's service areas. Therefore, also in their view, the first proviso in the statute is met. Second, Hargray and Bluffton have filed the affidavit of the Property and Construction Manager of Hargray Communications Group, which is the parent company of Hargray and Bluffton. This manager names seven wireless providers that have coverage generally available in the incumbent local service areas served by Hargray and Bluffton. None of the seven is affiliated with Hargray or Bluffton. Further, this manager conducted drive tests for three of these wireless providers. The manager describes his methodology, and finds that the system drive test results demonstrate that at least ALLTEL, Sprint PCS, and Verizon have generally available coverage and a good quality of service throughout Hargray's and Bluffton's service areas. Accordingly, Hargray and Bluffton state a belief that the second proviso of the statute was met.

The Office of Regulatory Staff also filed a letter, stating that it had reviewed the two companies' notification of election and the documentation provided to support their eligibility to enter the "576" alternative regulation plan. ORS concluded by stating that it had no objections to the notification by the Companies to enter the alternative regulation plan set out in Section 58-9-576.

Under this statute, the Commission does not approve the election of the plan as such, but makes the determinations with regard to competition with the local exchange carrier's basic local exchange telephone service and/or whether at least two wireless providers have coverage generally available in the LEC's service area and that the providers are not affiliates of the local exchange area. The Commission also examines the actual plan submitted by the Companies. Here, Hargray and Bluffton have furnished the necessary information for the Commission to make these determinations. First, I move that the Commission declare that the provisions of Section 58-9-576(A)(2) have been satisfied, in that, with removal of the rural exemption, competitive carriers holding statewide certificates are authorized to provide local exchange service in Hargray's and Bluffton's service areas. I also move that the Commission declare that the provisions of Section 58-9-576(A)(3) have been satisfied, in that Hargray and Bluffton have provided uncontroverted evidence that at least two wireless providers have coverage generally available in the two Companies' service areas and the providers are not affiliates of the local exchange companies. Finally, I move that we approve the Alternative Regulation Plan submitted by Hargray and Bluffton as being consistent with the provisions of the statute. I so move.

PRESIDING	<u>Mitchell</u>				Session:	Regular
	MOTION	YES	NO	OTHER	Time of Session	<u>2:30 PM</u>
CLYBURN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		APPROVED	<u></u>
FLEMING	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		APPROVED STC 30 DAYS	<u></u>
HAMILTON	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Absent	ACCEPTED FOR FILING	<u></u>
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		DENIED	<u></u>
MITCHELL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		AMENDED	<u></u>
					TRANSFERRED	<u></u>
					SUSPENDED	<u></u>

MOSELEY

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CANCELED _____

SET FOR HEARING _____

ADVISED _____

CARRIED OVER _____

RECORDED BY SCHMIEDING